ROMANIA – NEW GOVERNMENT PROGRAMME 2026–2028

Chapter: AGRICULTURE AND RURAL DEVELOPMENT

Fair and timely support for farmers

M1. Efficient agricultural administration and payments without delays

We are finalising the legislation to reorganise the decentralised institutions of the Ministry of Agriculture and Rural Development (MADR) and eliminate overlapping responsibilities. We are urgently updating the regulations governing the single payment scheme to remove administrative bottlenecks in payments to farmers. We are conducting a feasibility study to assess the merger of APIA (Paying agency for Pillar I) with AFIR (Paying agency for Pillar II), without affecting the continuity of payments.

M2. Maintaining support for the compensation of excise duty on diesel used in agriculture

We are continuing the support measure to compensate for the excise duty on diesel used in agriculture by maintaining the state aid scheme and ensuring the necessary resources for payments to eligible farmers. We are ensuring that applications are processed and payments made on time, in order to reduce production costs and support the competitiveness of Romanian agriculture.

M3. Compensation for the 2025 drought and a permanent mechanism

We are urgently releasing compensation for the 2025 drought and topping up the amount from 63 euros/ha to 200 euros/ha through a state aid scheme notified to the European Commission and finalised within a maximum of 100 days. From spring 2027, we will implement the drought risk management mechanism developed by the Ministry of Agriculture and Rural Development (MADR) in collaboration with the World Bank: every farmer registered with APIA will have a minimum insurance policy per hectare, funded by a 3 per cent deduction from direct payments.

M4. Affordable credit: AgroInvest and the 'farmer's loan'

We are optimising the AgroInvest mechanism: the state provides a majority guarantee for investment loans and continues to subsidise interest rates, including for the co-financing of European projects. Through the 'farmer's loan', a de minimis scheme for working capital over five years, the farmer pays only the fixed margin of 1.95 per cent, whilst the Ministry of Agriculture and Rural Development (MADR), through the Rural Credit Guarantee Fund, covers the 3-month ROBOR interest rate, up to a limit of 50,000 euros, from the MADR budget, with an annual ceiling set by the Budget Act, consistent with the agreed deficit trajectory.

M5. More effective support, based on the OECD report

The Ministry of Agriculture and Rural Development (MADR) presents a feasibility analysis of the measures proposed in the OECD evaluation report 'Policies for the Future of Agriculture and Food in Romania', to guide the Ministry towards measures offering high added value for farmers and the sector. We are gradually redirecting support towards commercially viable small and medium-sized farms, on the basis that large farms can sustain themselves, and we are facilitating a fair, phased exit from the sector for uncompetitive small farmers and surplus labour. *With the support of ANCPI (Cadastre Agency), MADR is assessing trends in land ownership and the effects of large-scale land acquisitions*.

Irrigation, processing and Romanian production

M6. Modern irrigation and green energy in agriculture

We are continuing to rehabilitate primary and secondary irrigation infrastructure, covering 2.8 million hectares of irrigable land by 2032, financed through a loan from the European Investment Bank and phased in within the agreed deficit trajectory, as well as through European funds for secondary infrastructure. A state aid scheme, funded from the Ministry of Agriculture and Rural Development (MADR) budget within the agreed deficit trajectory, finances irrigation equipment for secondary infrastructure projects that have been completed or are more than 50 per cent complete. We are continuing, using European funds, the €270 million programme for photovoltaic panels on irrigation canals, supplemented by €500 million for agricultural and food businesses investing in renewable energy.

M7. Increased processing of Romanian agricultural produce

We are continuing the INVESTALIM programme: 49 projects, totalling 4.5 billion lei, creating over 3,200 new jobs. Through the National Strategic Plan, we are ensuring the completion of approved processing projects: 48 projects, totalling 204.1 million euros (DR-22), and 21 factories, with 150 million euros (DR-23). Through the ROMALIMENT programme, we are supporting the modernisation and expansion of existing processing facilities to reduce food imports, via a dedicated allocation to the food industry from European agricultural funds, including from the next multiannual financial framework, in the instruments of the Investment and Development Bank and in existing state aid schemes, within the limits of the agreed deficit trajectory.

M8. Livestock farming, vegetables, mountain areas and organic farming

We will continue to provide funding for pig and poultry farms, including eligible but previously unfunded projects under the DR-20 intervention (€220 million from European funds), so that by 2028 the demand for pork is fully met by domestic production. We are launching, with a capped annual budget and within the agreed deficit trajectory, *a support programme for the purchase of heifers on family farms*. We are continuing programmes for off-season vegetables and for increasing potato and garlic production, and we are prioritising funds that reduce the agri-food trade deficit. We are supporting farms in mountain areas to increase production by at least 15 per cent, and we are expanding organic farming, with a target of 800,000 hectares by 2030.

Market Access

M9. Agri-food exports and sanitary and veterinary safety

The Ministry of Agriculture and Rural Development (MADR) is adopting a sectoral strategy for agri-food exports, with concrete measures to integrate farmers into international value chains, in synergy with the Foreign Trade Strategy. Together with the Sanitary-Veterinary Authority (ANSVSA), we are lifting the ban on sheep exports to third countries, through bilateral agreements and the action plan for small ruminant pest (PPR) and sheep pox. We are introducing legislation on ear-tagging and real-time traceability of live animal transports to combat fraud involving the over-reporting of livestock numbers.

Young farmers, land and the Romanian countryside

M10. Young farmers and the intergenerational transfer of farms

We are continuing programmes to help young farmers set up in business, modernising agricultural colleges in collaboration with the Ministry of Education, and providing – through existing employment incentive schemes funded by European agricultural funds and subject to an annual budget cap – a monthly employment bonus for young people working in agriculture. We are creating a voluntary, life annuity-style scheme, funded primarily from European agricultural funds, with an ex-ante estimated cost and an annual cap, for the transfer of small farms from elderly farmers to young farmers or viable family farms. We are strengthening the RO AKIS platform for innovation and knowledge transfer in agriculture.

M11. A new law on land leasing

We are adopting special regulations governing the leasing of agricultural land, ensuring equal treatment for lessees and lessors, multi-year contracts and a framework model that preserves contractual freedom. We are introducing a land-use exchange contract to facilitate the consolidation of plots, and electronic registers of lease agreements in every administrative-territorial unit, with the publication of average lease rates.

M12. Rural Development Strategy 2026–2036

Together with local authorities, we are adopting a ten-year strategy for Romanian villages that goes beyond agriculture: addressing depopulation, ensuring access to integrated services, promoting rural digitalisation, enhancing heritage, and diversifying the rural economy through agritourism, crafts, remote working and LEADER groups. The strategy sets out the priorities for rural development for 2028–2034.